

CITY OF RALEIGH, NC

CITY OF RALEIGH, NORTH CAROLINA CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)



JULY 1, 2010 - JUNE 30, 2011

September 2011

*Strategic Planning Division
City of Raleigh Community Development Department*

CITY OF RALEIGH, NC

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FY 2010-11

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EXECUTIVE SUMMARY

Background:

The Consolidated Annual Performance and Evaluation Report (CAPER) assesses the period from July 1, 2010, through June 30, 2011. It provides an evaluation of performance by the City regarding the housing and neighborhood revitalization goals stated in its Consolidated Plan. By doing so, the City has an opportunity to appraise its overall progress and assess its strategies for carrying out its housing programs and activities. The availability of the document for comment was advertised in the News and Observer newspaper. The draft was available at the Community Development (CD) Department office at 310 W. Martin Street in Raleigh and upon request. The appendix of this document contains maps showing areas of interest as described herein.

Structure of Report:

This report is prepared in a manner that is consistent with HUD guidelines for consolidated reporting. Several necessary elements are required and include: descriptive narratives, summaries of reports and activities, programmatic accomplishments for each of the City's entitlement grants for CDBG, HOME, and ESG, as well as a self-evaluation of progress in implementing the City's Consolidated Plan.

These activities support the Department's mission to assist low- and moderate-income renters, first-time homebuyers, homeowners needing rehabilitation and special needs populations. Neighborhood revitalization is directed toward the elimination of slums and blight and the development of new housing sites in older neighborhoods. This is accomplished through the acquisition and demolition of dilapidated buildings including substandard houses and commercial businesses that are not compatible with residential communities. Neighborhood revitalization activities also include upgrading public facilities, eliminating environmental hazards and selling vacant parcels through an RFP process to developers who must follow the implementation strategies in adopted redevelopment plans.

The Department welcomes your comments. For more information on any of these programs or information contained within this report, please feel free to contact the Community Development Department at (919) 996-4330 or email CD.info@raleighnc.gov.



St. Monica's Teen Center
Rehabilitation with
CDBG-R

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PART I – GENERAL NARRATIVE

Assessment of 3-5 Year Goals

This was the first year of the 2010-15 Five Year Consolidated Plan. The One Year Action Plans have specific goals for most activities. The goals for FY 2010-11 are detailed in the discussions of the projects and activities. All of the projects benefit very low-, low- and moderate-income persons. The City achieved the majority of its goals.

The City of Raleigh's housing and community development programs are designed to serve the housing needs of five major groups of its residents and to support the Consolidated Plan goals:

- Very low-income renter households.
- Homeless persons and families.
- Elderly and persons with disabilities in need of supportive housing.
- Low- and moderate-income homebuyers.
- Homeowners needing significant rehab assistance.

To benefit these households, the City has focused its efforts on providing attractive and affordable housing and revitalizing older neighborhoods. Each of these programs is guided by four basic principles that guide the expenditures of program funds. These four principles are:

- ◆ The provision of affordable, decent safe, and sanitary housing for all City residents
- ◆ The need for an on-going partnership with the private and nonprofit sector and continued inter-governmental cooperation with county and state agencies
- ◆ That affordable housing must be made available throughout the City of Raleigh
- ◆ The continued emphasis on neighborhood revitalization where the goal is to encourage neighborhood stability and preservation of the existing housing stock

ACTIVITIES BY BENEFICIARY

Targets and Projects	Households Assisted
<i>Very low- and low-income renter households</i>	
◆ Joint Venture Program	88
◆ Acquisition of Units	41
◆ Affordable Housing Rental Program	7
◆ Relocation to standard housing	14
◆ Job Training (Construction Trades)	29
◆ Capital City Intergenerational Care - Community Enhancement Grant	36
◆ Habitat for Humanity – Community Enhancement Grant	10
◆ Communities in Schools – Community Enhancement Grant	150
◆ Inter-Faith Food Shuttle – Community Enhancement Grant	15
◆ Delta Sigma Theta – Community Enhancement Grant	240
◆ StepUP Ministry – Community Enhancement Grant	56
◆ YWCA of the Greater Triangle – Community Enhancement Grant	359
◆ Community Services – Youth Employment Program (CDBG-R)	50
<i>Sub-Total</i>	1,092
<i>Low- and moderate-income homebuyers</i>	
◆ Homeownership Counseling Program	405
◆ City-Wide Second Mortgage Program	29
◆ OWNER Second Mortgage Program	11

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◆ New housing units completed	11
<i>Sub-Total</i>	456
<i>Owner Households needing rehabilitation assistance</i>	
◆ Homeowner Rehabilitation Program	10
◆ Limited Repair	39
<i>Sub-Total</i>	49
<i>Special population groups such as homeless and disabled persons</i>	
◆ Triangle Family Services/Women's Center of Wake County HPRP	352
◆ Wilmington Street Shelter	1,442
<i>Sub-Total</i>	1,974
TOTAL	3,571

To implement its program, Raleigh utilizes funding from a variety of federal and local resources. During this CAPER reporting period, the City spent and encumbered a total of \$12,647,514 of federal and local funds, which includes CDBG, CDBG-R, HOME, HPRP, NSP, and ESG. The majority of expenditures are used to fund programs that address priority needs, as stated in the Consolidated Plan.

Performance Measurement

The City incorporated Performance Measurement standards in accordance to HUD requirements. Performance measurement is a process to gather information to determine how effectively programs are meeting needs; the information is then used to improve performance and direct resources more accurately. Performance measurement can help to better target limited resources and lead to more informed decisions about programs. The performance measurement system the City will implement in this five year period will be through the Consolidated Annual Performance and Evaluation Report (CAPER). Each year, the City sets goals for each program (outputs). Each program will have performance measurement objectives in place to measure end benefit and determine effectiveness.

The HUD Outcome Measurement System includes Objectives, Outcome Measures and Indicators. In this system, there are three objectives, three outcomes, and one indicator.

OBJECTIVES

Suitable Living Environment

In general, this objective relates to activities that are designed to benefit communities or groups of families by addressing issues in their living environment.

Decent Affordable Housing

The activities that typically would be found under this objective are designed to cover the wide range of housing that is possible under HOME and CDBG. It focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort (that would be captured above under Suitable Living Environment).

Creating Economic Opportunities

This objective applies to the types of activities related to economic development, commercial revitalization, job training or job creation.

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OUTCOMES

Availability / Accessibility

This outcome category applies to activities which make services, infrastructure, housing, or shelter available or accessible to low-income people. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low- and moderate-income people where they live.

Affordability

This outcome category applies to activities which provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities

This outcome applies to projects where the activity or activities are aimed at improving a neighborhood by helping to make it livable or viable for principally low- and moderate-income people through multiple activities, or by providing services that sustain communities or sections of communities.

Each activity funded through the City's Housing and Community Development programs will have performance measurement indicators. The indicators may change as programs shift or other more relevant indicators are found. Performance measurement will evolve as the City of Raleigh continues to improve its programs.

OUTPUT INDICATORS

For each activity, the amount of money leveraged, the number of persons affected, the number of households assisted, the number of jobs created or retained, and the number of units constructed or rehabilitated, as well as any other applicable indicators, will be reported.

Affirmatively Furthering Fair Housing

All City housing assistance is provided within the context of expanding housing opportunities throughout the community. The City's Scattered Site Policy, which was adopted in 1978, updated in 2003 and adjusted in 2005, is used as a guide to geographically disperse City and federal housing resources. The Scattered-Site Policy places a higher priority on rental housing developments that are located outside traditional minority and low-income communities. The Policy requires housing developers who use federal funds, City bond dollars or tax credits to construct their developments in areas not already experiencing a high concentration of low-income housing. Maintaining this policy has enabled the City to locate most new developments throughout the City in First or Second Priority Areas. The City also supports housing projects seeking tax credits, which are in First or Second Priority areas as well. The Community Development Department committed to several new construction developments which are located outside minority concentrated areas.

The Analysis of Impediments has not been fully implemented due to budget concerns. When the funds are available, full implementation will commence.

Disparity in mortgage lending

Analysis of 2005 HMDA data reveals a disparity in the loan origination patterns and denial rates of minorities and non-minorities in the Raleigh area. Despite similar income levels, minorities have a higher rate of denial than non-minorities. There may be additional factors; however, the primary factor appears to be minority status. Additional testing and analysis of available data may be necessary in order to verify the existence of discrimination. However, the information strongly suggests that there are disparities in mortgage lending and real estate transactions in the local area.

Lack of fair housing enforcement by a local agency or department

Currently, the City of Raleigh does not have a fair housing department or agency to receive complaints, conduct testing, and promote education and outreach. (The City utilizes one staff person to coordinate fair

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housing efforts). The City of Raleigh utilizes the State Human Relations Commission to investigate fair housing complaints. Without a local presence and efforts of a local fair housing agency it is more difficult to raise awareness of the law and rights granted under the law. Many who are aware of their rights may not be aware of how or where to file a complaint. This lack of a central location for filing complaints and obtaining information about fair housing may constitute a barrier to fair housing. Lack of effective and consistent enforcement is a barrier to fair housing in the City of Raleigh.

Difficulty in obtaining housing for persons who have disabilities and for non-English speakers are also impediments. The City addresses these needs through several programs and by translating information.

The Community Services Department has two fulltime Hispanic liaisons who assist with translation issues for Community Development. Community Services has assisted with some housing issues, especially landlord/tenant issues. The Fair Housing Hearing Board (FHHB) met monthly. In regard to public education the board has sponsored and co-sponsored several events.

The FHHB has continued a public education initiative with the local apartment complexes, especially the ones with a large number of Hispanic/Latino residents. The Hispanic/Latino population is still the group most likely to be discriminated against or treated unfairly in regard to housing. Their concerns are usually about repairs and questionable leasing terms.

The Neighborhood College Program continues to have a fair housing portion as part of their on-going curriculum.

The City also supports fair housing activities through its homeownership-lending program. The Citywide Second Mortgage Program provides low-income citizens an opportunity to buy a home they can afford. As the name implies, the Citywide Second Mortgage Program is for a new or existing house (up to \$170,000 or the North Carolina Housing Finance Agency's limits in value) in the city limits. The City continues to provide housing to reduce its major fair housing impediment, which continues to be the extremely high cost of housing in this area.

Affordable Housing

The City of Raleigh identified five household groups as *Priority One* targets for assistance in the 2010-15 Consolidated Plan. The target groups are:

- Very low-income renter households.
- Homeless persons and families.
- Elderly and persons with disabilities in need of supportive housing.
- Low- and moderate-income homebuyers.
- Homeowners needing significant rehab assistance.

This section focuses on the efforts made to service the *Priority One* groups.

ASSISTANCE TO LOW-INCOME RENTER HOUSEHOLDS 0-50 % Median Income (\$38,850 – family of four)

A. PURCHASE/REHAB OF AFFORDABLE RENTAL UNITS PROGRAM

This program assists its target group by using funds to obtain additional existing multifamily rental units for low-income families. In 2010-11, the median income for the Raleigh area was \$77,700. Families served through this program earned less than 50% (\$38,850 for a family of four) of the area's median income. The City continues to focus this program on purchasing and renovating, if needed, property in lower income neighborhoods. This program accomplishes a two-fold objective, addressing affordable housing and neighborhood revitalization goals simultaneously. The City rehabilitated seven units in the past year.

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As of June 2011 the rent average was \$520.47. The occupied units consisted of 81% African American, 12% white, 5% Hispanic and 2% Multi-racial/Other. Currently, the City owns approximately 189 affordable rental housing units. 79.64% earned 40% or below of AMI, and 20.36 earned 50% or below of area median income.



709 E. Davie Street
City-Owned Affordable
Rental Housing Rehab

B. JOINT VENTURE PROGRAM

This program allows the City to leverage Bond and HOME funds with private funding to create new affordable housing. The Joint Venture Program provides funds to nonprofit and private developers to construct or rehabilitate existing units, using low-interest loans. Participating developers must be willing to rent to individuals and families whose incomes are at or below 60% (\$46,620 for a family of four) of the area median income. Many projects target lower income households. Developers reap the benefit of receiving much lower interest rates on loans than they would get at lending institutions and banks. Other joint ventures involved the creation of new single-family units for ownership.

The City has committed \$5,715,000 toward financing Joint Venture projects over several fiscal years. These projects, many of which are contingent on receiving tax credits and environmental reviews, will add 411 units of affordable housing to low- and moderate-income households earning less than 60% of the median income or \$46,620. During the 2010-11 fiscal year, 88 units of affordable housing were completed and leased. The majority of the occupants in these units earned less than \$38,850 or 50% of the Raleigh median income for 2010-11.

PROJECT NAME	PROGRAM	CITY FUNDS	# of Units	Household Type
COMMITTED				
Meadowcreek Commons	HOME	\$ 1,200,000	48	Low-Income Family
Murphey School	Bond	\$ 480,000	48	Low-Income Seniors (Rehab)
Poyner Spring	Bond	\$ 700,000	42	Low-Income Family
Raleigh Garden	Bond	\$ 600,000	125	Low-Income Family (Rehab)
Water Garden Park	HOME	\$ 1,320,000	88	Low-Income Seniors
Water Garden Village	HOME	\$ 1,395,000	60	Low-Income Family
TOTAL		\$5,715,000	411	
COMPLETED				
Autumn Spring	HOME	\$ 850,000	48	Low-Income Seniors
Brookridge (CHDO)	HOME	\$ 900,000	40	Efficiency Apartments
TOTAL		\$1,750,000	88	

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Performance Measurement of Joint Venture Activities

Objective:	Suitable Living Environment	
Outcomes:	Affordability	
Output Indicators:	Number of units rehabilitated	0
	Number of units constructed	88

The City, in conjunction with Wake County, offers funds to non-profit organizations on a first-come, first-served basis instead of issuing a Request for Proposals.

Worst Case Needs: Worst case housing needs continue to be a problem for all groups. Programs aimed at the elderly, such as Limited Repair, the Forgivable Loan Rehab Program and Deferred Payment Loan Programs, address some of these problems. In addition, families with children continue to receive the City's Assistance through the Affordable Housing Programs, as well as job training programs. The City is committed to helping the very poorest citizens through the Continuum of Care funding, which addresses homelessness. The Forgivable Loan Rehab program, which began in December 2005, assists the low-income homeowners by offering forgivable loans. The Joint Venture projects assist many renters earning less than 40% of area median income.

Self-Evaluation: The City continues to support the programs in place. Community Development continues to search for units in need of rehabilitation for assistance through our City-owned program. This meets the goal of neighborhood stabilization since good management can eliminate high turnover and disinvestment in the surrounding community. High land cost continues to be a major issue in the Raleigh/Wake County region, thus making the acquisition of land extremely difficult. The City will continue to examine strategies to expedite the number of units that can be provided.



**Meadowcreek Commons
Apartments**
48 Units for Seniors

ASSISTANCE TO LOW- AND MODERATE-INCOME HOMEBUYERS

C. CITY-WIDE AND DOWNTOWN SECOND MORTGAGES

Under the City-Wide First-Time Homebuyer Program, the City funds second mortgages for first time homebuyers using City Housing Bond dollars. During this fiscal year, 29 mortgages were made to low- and moderate-income families for home mortgages outside the low-income census areas. Financing for first mortgages are provided by private sector banks.

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The OWNER (Ownership within Neighborhoods to Encourage Revitalization) Program has different income and location restrictions. During this fiscal year, eleven OWNER mortgages were funded; seven were rehabilitated homes in the State Street redevelopment project.

The average price of homes purchased under these programs was \$134,531. The average second mortgage loan was \$22,625. These homes are located throughout the City. Approximately \$4,333,208 of first mortgage money was leveraged by the City's funds during this period. Borrowers may find housing for new or existing homes for up to \$170,000. Eligible household income under this was for households earning up to 80% of median income, as dictated by HUD guidelines, except for the OWNER program.

Households and Persons Assisted - Documentation of Assistance Provided

20 of the homebuyers were African American, 15 were Caucasian, one was Hispanic, two were Asian, one American Indian, one identified as Other.

Self-Evaluation: The City continues to strive toward its goal of providing a competitive program to qualified applicants. A major obstacle has been increasing house prices in this market, thus prompting a need to increase our program limits. Linking the limit to the NCHFA limits allows the program to stay flexible and follow market trends. Another issue is the poor credit history for many applicants. Changing the housing limits is one way the City tries to be responsive to the changing issues. The City continues to reevaluate the program to better serve the target population. The Homeownership Counseling Program is one strategy that enables first-time applicants to understand the home buying process and how to improve their chances for loan approval and long-term success. The City is also directing those facing foreclosure to assistance.

ASSISTANCE TO LOW-INCOME HOMEOWNERS

D. REHABILITATION

1. Limited Repair Program

This program provides rehabilitation assistance to low-income (at or below 50% of the median income) homeowners in need of repairs of code violations or safety hazards. The adjustment allows any income-eligible homeowner to participate. 39 units were completed for citizens in FY 2010-11. The maximum loan amount under the program is \$5,000. Bond funds are used for this program. Each year, the loan is discounted by one-fifth and forgiven after five years.

Examples of assistance include repairs to roof, bathroom, furnace, and plumbing. Wake County Resources for Seniors works with the homeowners to ensure the work is completed and the City provides the funds. The City spent \$179,675 in this program.

2. Homeowner Substantial Rehabilitation

The City continued a Forgivable Loan Rehabilitation Program for low-income homeowners, regardless of age. They must be located in the low-income census tract areas and meet income restrictions. The loans discount and will be forgiven if the homeowners stay in the home and meet the requirements. These loans are available up to \$45,000.

Ten households received rehabilitation assistance in this year, not including the 39 Limited Repair projects. Five were bond, and five were funded with HOME.

Deferred Payment Loans (DPL) are available for elderly/disabled low-income homeowners who live outside the low-income census tracts. Available for up to \$35,000, these loans are nonrepaying until the homeowner moves out of the home or the property is passed on to heirs. Other programs such as the Limited Repair Program, may be used in conjunction with the DPL program. Applicants must have incomes at or below 50% of the median income (\$38,850), which qualifies them as low-income.

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Self-Evaluation: The City continues to examine its programs in an attempt to improve efficiency and effectiveness. The City will continue to monitor the program very carefully to determine outreach efforts, production schedules and number of units that are completed.

3. Households and Persons Assisted - Documentation of Assistance Provided

In the Limited Repair Program, 25 of the 39 homeowners were African American, ten were Caucasian, and one was Arabic. In the HOME rehabilitation program, all five were African American.

SUBRECIPIENT - Martin Street CDC

On December 21, 2010, the City entered into a Subrecipient Agreement with Martin Street CDC to provide assistance through the City's homeowner rehabilitation program. The City had received a number of rehab requests that did not meet the underwriting criteria or the families needed case management services that the City could not provide. The Subrecipient offered additional resources to help families meet the underwriting requirements and offered to provide case management and care coordination services to eligible homeowners. The City designated \$93,174 of CDBG funds for staffing and administration purposes. Five rehabs were to be funded with rehabilitation loans through the City's rehab program. As of June 30, 2011 the City has reimbursed the Subrecipient \$28,253.58 in staff and administration costs. At the close of the fiscal year one homeowner rehab activity was underway. This capacity building activity is a pilot project which will be reviewed and monitored closely.

ASSISTANCE TO SPECIAL POPULATIONS

CONTINUUM OF CARE NARRATIVE DISCUSSION

The City of Raleigh is a participating organization in the Wake County Continuum of Care Collaborative. The City continues to work toward the goals established by the Wake County Consortia's Continuum of Care Strategy. The NOFA awards require matching funds to provide housing for the very low-income and special populations.

The 2010 Consolidated Plan identified homeless persons as a Priority One Housing Need. To serve this population, strategies have been put in place that are directed at preventing homelessness. This includes rehabilitation of substandard houses, improving economic opportunities, and providing permanent housing options including homeownership loans, first-time homeownership counseling, and creation of affordable rental units.

The Wake Continuum of Care (CoC), also known as the Partnership to End Homelessness, is a planning and action group made up of nonprofit housing service providers and government agency representatives. Its primary focus is to deliver housing and support services to homeless persons. The group meets bi-monthly in an effort to combat and eliminate homelessness and create a seamless, integrated system of housing and support services that minimizes gaps in service for all who are homeless.

The CoC was formed in 1995 to develop, analyze and strengthen Wake County's homeless continuum of care system. The group's goals are twofold: to provide a balance of emergency, transitional, and permanent housing, and to develop services so homeless persons and families can make the critical transition from the streets to housing, jobs and self-sufficiency. The group identifies gaps, sets priorities and prepares the annual HUD NOFA Continuum of Care grant application to HUD for funds to address homeless populations. In fall 2006, the Wake County Continuum of Care became a 501(c) 3 nonprofit organization. This allows it to raise funds to support HMIS and to be its own fiduciary agent for management of the funds. In January 2011, the Continuum of Care conducted a Point in Time count of the homeless and under-housed population in Wake County. The results are as follows:

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2011 Point in Time Survey of Homeless Persons in Wake County

Total Homeless people during Point-in-Time Survey	1,150
Homeless people staying in temporary shelter	860
Homeless people without shelter (i.e. on the streets)	290
Homeless people in families (including children)	278
Homeless children	177
Homeless individuals (not in families)	869
Homeless children (not in families)	3
Homeless people with a history of domestic violence	68
Chronically homeless people	197
Homeless with a substance abuse problem	494
Homeless Veterans	91
Homeless with mental illness	176

Source: Wake Continuum of Care

During FY 2010, Wake County's Continuum of Care had five working planning committees. Descriptions of the committees and their work follow:

Stabilization and Assessment Committee – This committee's work has been focused on exploring the development of a Stabilization, Assessment, and Referral Center, where services to persons experiencing homelessness and others in need could be coordinated within our community. The committee is evaluating services that are needed and could potentially be located in centralized facilities. This committee is working with local governments and service agencies to gain support for moving forward.

Government Resources Committee – The committee is charged with keeping member agencies informed of best practices, enhancing the continuum's effort to provide coordinated services, and monitoring the success of these efforts. This committee designs and maintains standard outcomes and submission procedures for programs applying for funding through the CoC. This team addresses all issues regarding program evaluation and quality control of projects and also provides accurate data to support the CoC. This team organizes and implements the Wake County Point in Time Count, working with law enforcement and others. The team also leads the development and implementation of the Community's HMIS by contracting to work with a vendor to fully implement this system.

Partnership to End Homelessness Oversight Team – The Raleigh/Wake Partnership to End and Prevent Homelessness is the overarching effort to guide our community's work to end homelessness. These efforts are guided by the work carried out in our bi-monthly membership meetings and weekly oversight team meetings. These groups are responsible for the implementation of the strategies of our Ten-Year Plan to End and Prevent Homelessness. Together these groups guide the collaborative efforts of our partners, setting the work agenda, monitoring community-wide progress, promoting our vision, and helping to raise funds for implementation. These activities are ongoing throughout the year as our CoC responds to changes and progress toward closing service and resource gaps.

Employment and Education Committee – This committee has focused on designing and implementing a number of programs to improve employment opportunities for persons experiencing homelessness. These efforts include our Job Referral Program, in which an employment liaison develops relationships between local businesses and homeless service providers that result in both filling an employment gap and hiring a homeless person. Another effort is the "Let's Get to Work" effort, which raises funds to provide day care and transportation funding subsidy assistance to homeless and at risk individuals and families. Also, Wake County Human Services and Step-Up Ministries have partnered to better serve our community.

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Housing Solutions Committee of the Partnership to End and Prevent Homelessness – This committee's primary objective is to increase the affordable housing supply for persons who are at 40% or below of Area Median Income. The committee convenes monthly to identify potential housing developments and link partners who can work together. It also provides input to our local governments' comprehensive planning processes. Members attend public meetings to give input to ensure that affordable housing development stays at the forefront of the issues associated with comprehensive planning. The committee is also working to build community support and involvement to combat issues of NIMBYism.

In January 2011 the Wake County Continuum of Care received \$2,206,049 from the Continuum of Care Grant (U.S. Department of Housing and Urban Development (HUD)). These funds will be used for the following:

Carolina Homeless Information Network received \$75,249 in Supported Housing Program (SHP) funds. These funds provide technical support for Wake County's Homeless Management Information System (HMIS), a database shared by homeless provider agencies.

CASA, Inc., a Raleigh-based nonprofit, received \$50,176 in SHP funds. These are renewal funds for the operation of Harrington Place, a residence for formerly homeless individuals.

CASA, Inc., a Raleigh-based nonprofit, received \$85,575 in SHP funds for Oak Hollow, an apartment complex that houses homeless families with disabilities.

CASA, Inc., a Raleigh-based nonprofit received \$188,248 in SHP funds to provide housing and support services for persons who are homeless with serious mental illness.

CASA, Inc., a Raleigh-based nonprofit received \$21,677 in SHP funds for "Salisbury Apartments" to provide housing and support services for persons who are chronically homeless.

Passage Home, Inc., a Raleigh-based nonprofit, received \$192,134 in SHP funds for Ruth's House permanent housing. This program provides permanent housing to formerly homeless families and single women who have graduated from Passage Home's transitional housing programs.

Passage Home, Inc., a Raleigh-based nonprofit, received \$205,752 in SHP funds for "Essential Services" to assist homeless families including ex-offenders and to obtain permanent housing, increase life skills and income and to help families achieve greater self-determination and self-sufficiency.

Wake County Human Services received \$1,167,000 in renewal funds for its Shelter Plus Care (S+C) rental subsidy program for single adults with severe and persistent mental illness and/or co-occurring mental illness and substance abuse issues.

Wake County Human Services received \$220,238 in SHP funds for psychiatric outreach, treatment and support services. This program provides psychiatric services to homeless individuals with a serious mental illness served by the agency's Community Outreach Team.

2011-2012 Continuum of Care Application

The Wake Continuum of Care will apply for FY 2011-12 funds to continue current programs and to obtain additional funds for the development of permanent housing units and accompanying support services for homeless persons who are disabled. The Continuum of Care will submit an application in response to the HUD NOFA in summer 2011.

Preventing Homelessness

In 2009, the City of Raleigh and Wake County Housing Division were awarded Homeless Prevention and Rapid Re-Housing Program Funds (HPRP) by HUD. HPRP is a program that assists families and

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individuals who are facing imminent threat of homelessness and earn below 50% of area median income. Wake County Human Services also prevents homelessness by making emergency rent payments to persons who receive eviction notices, paying utility bills, providing rental deposits and/or paying the first month's rent.

The City is committed to continuing its cooperative coordination with existing housing developers and providers such as the Community Housing Development Organizations (CHDOs), public/private partnerships, nonprofit organizations, and private industry. The City Bond has set aside money for Homeless needs support. The City continues to search for opportunities to assist this population.

Ending Homelessness Community Initiative

The mission of the Raleigh/Wake Partnership to End and Prevent Homelessness ("The Partnership") is to reorient the service system from one that manages homelessness to one that prevents and ends homelessness through the power of partnerships. The Partnership represents more than 15 years of dedicated effort by the Raleigh/Wake community toward this goal. As a 501(c) 3 charitable organization, The Partnership:

- Serves as a convener to encourage collaborative partnerships to end homelessness among nonprofit and government agencies, faith based institutions, businesses, civic and professional organizations, public officials, and service providers.
- Implements public awareness and advocacy strategies that help to strengthen fundraising efforts which will enable increased quality and quantity of homeless services provided by area agencies.
- Works to increase the availability of affordable housing focused on those with incomes below 40 percent of average median income.
- Provides a multi-disciplinary, formal interagency network to find and support solutions to end and prevent homelessness that could not be developed or implemented in isolation by individual service agencies.
- Identifies gaps in services and creates a plan to close the gaps.
- Helps to move individuals and families in Raleigh/Wake County from homelessness to self-sufficiency.
- Is the primary entity charged with implementation of the Raleigh / Wake 10-Year Plan to End and Prevent Homelessness, which was adopted by the Raleigh City Council and Wake County Board of Commissioners.
- Approximately 78,000 people are estimated to be living in poverty in Raleigh/Wake County with many at risk of homelessness. More than 3,300 people including 700 children and 500 veterans experience homelessness during the course of a year. Each night there are on average 1,100 people including 200 children who are homeless in Wake County.

The Partnership works to address three areas: 1) Housing and Support 2) Prevention and 3) Employment, Education and Income.

Through public awareness, advocacy and collaboration among homeless service providers, The Partnership helps ensure that the most effective housing solutions, prevention services and support services to prevent persons from becoming homeless and enable those homeless to move to and remain in a stable housing situation and maximize their self-sufficiency.

Homeless Prevention Measures

Several Joint Venture projects are addressing the transition of formerly homeless persons to permanent housing. In addition, the City's affordable housing stock is intended to prevent homelessness. The HPRP Grant also addresses this issue.

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Supportive Housing Needs

Supportive housing needs are also a concern. Cornerstone, which began as a City project and was transferred to the County, continues to offer supportive services. Wake County supplies most of the supportive housing support. The City and Wake County work together on many projects.

OTHER ACTIONS AND ACCOMPLISHMENTS

Although the 2010-11 Action Plan did not explicitly address some of the issues listed below, the City has attempted to address the needs through several programs.

- a. **Underserved Needs:** Persons who are homeless or at risk for homelessness remain a critical issue. The City has supported CHDOs, such as DHIC's Brookridge project, which provides housing and support services for formerly homeless persons.
- b. **Barriers to Affordable Housing:** Housing costs remain a barrier to affordable housing. In addition, regulatory procedures, subdivision regulations, and growth issues are barriers to affordable housing. The City addresses these barriers through the Second Mortgage Loan Program, City Rental Housing, Rehabilitation, and Joint Ventures. The City's long range plan includes actions to address this as well.
- c. **Gaps in Institutional Structure:** The City instituted the Forgivable Loan Program, which provides forgivable rehabilitation loans in response to the needs of low-income homeowners. The City continues to examine programs to address gaps.
- d. **Reduce Poverty:** The Community Development Department does not focus on social service activities, but it offers funds every year in a RFP to interested nonprofit groups. CD also annually funds a job-training program to address this issue. The Construction Trades Program assists low-income persons in acquiring skills that will enable them to find better jobs.
- e. **Ensure Compliance with Program and Planning Requirements:** The Community Development Department makes every attempt to attend training and to stay abreast of changes in regulations and rules to ensure compliance with program requirements. CHDOs are recertified when they submit a proposal, and housing sites are monitored through site visits. One staff member serves as a monitor and has overseen the updating of manuals and provides HUD checklists, etc.
- f. **Persons with Disabilities:** Several programs address the needs of people with disabilities, including some Joint Ventures, CHDOs, and rehabilitation programs. The City strives to address housing needs and challenges for people with disabilities.

OTHER ACTIONS

During FY 2010-11, the City continued to examine issues that hindered the delivery of affordable housing to low and moderate-income persons. Several essential problems were addressed; narrative discussions of these follow.

1. Homeowner Counseling

The City has supported a homeownership counseling program for the last several years for persons interested in purchasing homes using City financing. The City contracts with DHIC and Triangle Family Services to provide counseling to homebuyers. 405 potential homeowners attended the training.

285 of the attendees were African American, 91 were white, 7 were Asian, 22 were multi ethnic, and 21 were Hispanic. 188 were extremely low-income, 180 were low income, 28 were moderate-income, and 9 were above moderate income households.

The City requires completion of this program in order to qualify for any of its homeownership loan programs. In addition, the City has worked with local lending institutions to leverage its own financial and staff resources.

2. Interagency Cooperation

The City has continued to address its housing needs through cooperative efforts involving other local, state, and private organizations. Ongoing cooperative efforts with other agencies have enhanced the City's effectiveness in achieving the stated goals for housing, community development, and other

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objectives. The City is currently working with Police, Parks and Recreation, and Public Works on projects.

The City continued to work with Wake County Human Services, collaborating on a number of Joint Venture and other projects.

Inter-Departmental efforts include working with the Planning Department to evaluate the downtown area and involvement in a citywide team to better answer citizen questions.

The Neighborhood College is a program offered by the City of Raleigh in partnership with Wake County. It is a seven-week series of classes that provides information on several different kinds of City services, as well as County services. Students in the Neighborhood College have a chance to meet and interact with City staff, County staff, and other Raleigh residents. Some of the topics discussed include: City services and County services, development, nuisance abatement, emergency services, the City budget process, and environmental services. The classes are offered twice a year, and Community Development staff participates in the presentations.

3. North Carolina Housing Finance Agency (NCHFA)

The City has worked closely with the North Carolina Housing Finance Agency and the North Carolina Home Builders Association (NCHBA) with an employment training program. In FY 2010-11, \$67,000 in CDBG funds were matched with NCHFA funds to train the unemployed or the under-employed to develop building trade skills.

29 people completed the construction trades job training program. The classes built decks and stoops and assisted in construction activities. The properties used in this program are city-owned affordable housing.

4. Raleigh Housing Authority – Public Housing

The Raleigh Housing Authority (RHA) continues to work toward improving its public housing stock and revitalizing its properties. RHA's programs are funded primarily by the Federal Government. Therefore, cuts to the federal budget will impact this agency. Unfortunately much of the impact is not yet known. In some cases, changes to the funding occur retroactively. RHA received Capital Funding in excess of \$2 million last year. These funds were used to update unit interiors and to improve the curb appeal of its developments.

The following work items are either underway or recently completed:

- Installed a new electrical system for a 285-unit senior building. The new system included a new electrical switch gear and electrical panels. RHA is in the process of also installing a new fire alarm system.
- Completed new landscaping and erosion control measures for ten public housing developments consisting of 618 apartments. The work included drainage systems to address standing water issues, erosion control measures, establishment of new plant beds, decorative block retaining walls, turf refurbishment, and establishment of new turf. RHA demolished a large public housing community and was able to reuse the decorative blocks from this site at other communities. This also provided the opportunity to employ local unemployed residents to complete the work.
- Installed new security system and card key entry for 285-unit senior development. The work is underway to install a similar system at a second 100-unit elderly-designated property.
- Completed sidewalk replacement in two public housing developments consisting of 139 apartments.

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- Implemented improvements to rain gutters to add trough debris guards for five public housing developments consisting of 139 apartments.
- RHA also manages non-public housing units for its non-profit affiliate. A 107 unit complex was hard hit by a tornado and RHA responded immediately and has been working with the owner to get the units restored. Four units were totally destroyed and will need to be rebuilt.

The Raleigh Housing Authority continues to be rated as a high performer by the U. S. Department of Housing and Urban Development's management assessment system for public housing. RHA's Section 8 voucher program is also highly rated by HUD.

RHA's voucher program is fully leased, including a recent allocation of 300 replacement vouchers for a total of 3869 vouchers. RHA also updated its waiting list during this process which resulted in 4523 applicants remaining active on the voucher waiting list. Once RHA achieved 100% utilization it was necessary to stop housing any additional families. RHA does not anticipate having any funds available to assist new families from the waiting list until January of 2012 which is the start of a new funding year for HUD. In recent years, the funding for the Section 8 voucher program has changed from year to year and often retroactively. The length of time a family is on the waiting list is four to six years. Once a housing authority reaches full lease up, new applicants are only assisted as participants leave the program. The wait for public housing is six months to a year, depending on family size. In the public housing program, the bedroom size of the vacated unit determines which families are offered housing. The number of persons on the public housing waiting list has increased by 19% since last year to 3518 applicants. RHA also has site-based waiting lists for the single-family home program, Capitol Park, and Chavis Heights. Persons can apply for all four housing options or only one. The greatest demand continues to be for one and two-bedroom units.

A summary of RHA funding by activity follows:

FEDERAL FUNDS APPROVED AND ALLOCATED FOR THE RALEIGH HOUSING AUTHORITY- Estimates Only

OPERATIONS	4/1/12-3/31/13*
Conventional Public Housing (Estimated)***	\$ 5,698,855
Section 8 Vouchers ****	\$28,203,151
Moderate Rehab	\$ 311,582
TOTAL	\$34,213,588
 C. CAPITAL GRANTS	
Capital Fund Program	\$ 2,311,166**
Capital Fund Program (Replacement Housing Factor)	\$ 415,395
Capital Fund Recovery Grant (stimulus)	\$ 0
TOTAL GRANTS	\$ 2,726,561
Total Funding Allocation	\$36,940,149

*RHA fiscal year begins April 1 and ends March 31.

** Capital Fund grant is allocated yearly but spent over two years.

*** Final subsidy figures are not yet available from HUD.

**** Note that the majority of this funding flows through RHA to local landlords.

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Public Housing Resident Initiatives

a. Homeownership: RHA has 224 single family homes scattered around the City of Raleigh. The families that live in these units are required to attend and complete homebuyer's training classes. RHA continues to offer or provide referrals to workshops on money management and homebuyer education to assist families to purchase homes. This program works with families to establish and/or improve credit, save for down payments, shop for financing, and learn basic maintenance. RHA plans to sell up to 100 of its single family homes to generate proceeds for a redevelopment project. The public housing families that live in the homes will have the first opportunity to purchase.

b. Supportive Services: RHA has developed Memoranda of Understanding with several partners in order to provide the services needed by the families of public housing. Communities In Schools of Wake County (CIS Wake) continues to be a crucial partner in the delivery of services in public housing. CIS Wake operates after school programs in five public housing communities. The children attend these centers for free and receive one-on-one tutorial assistance as well as case management services. In partnership with One Economy, wireless networks will be installed in 7 communities – The Oaks, Meadow Ridge, Kentwood, Capitol Park, Mayview, Eastwood Court and Stonecrest. One Economy secured stimulus funding to complete this work. These sites will receive free wireless for two years and then a much reduced monthly cost afterwards (\$10-\$15 per month.)

c. HOPE VI Grant: RHA has applied five times for a HOPE VI grant to redevelop the Walnut Terrace property. RHA has demolished Walnut Terrace and is in the process of constructing infrastructure. Without HUD funding RHA has had to decrease the number of replacement public housing units to about 117. In order to complete the redevelopment RHA will sell some of its public housing assets to generate the funding needed to construct replacement units. RHA has a couple of non-dwelling buildings, and up to 104 public housing units that it plans to sell to generate the funds needed to reconstruct this community. Just over 12 acres of the site will be sold to RHA's non-profit affiliate, Capitol Area Developments, Inc., for the construction of the affordable market rate and senior housing units. These units will be funded from non-HUD resources and includes mortgages and other loans.

Absent the HOPE VI grant, there is no additional funding for supportive services. RHA has applied for a grant to construct a multipurpose community center on the Walnut Terrace site. RHA has commitments from the City of Raleigh Parks and Recreation Department, Communities in Schools of Wake County, and Wake Technical Community College to provide services, free of charge to residents, from this facility. This is a grant provided by HUD. There was no anticipated award date provided in the application.

d. Community Involvement: RHA continues to coordinate services with other agencies in the Raleigh area including the Police Department, City Inspections, Community Development, and the Parks and Recreation Department. RHA provides space to one daycare center, Meals on Wheels, Inter-Project Council office, St. Saviour's Outreach Center, an arts center, and five community learning centers. The RHA staff is actively involved with coordination of programs with many community agencies including Wake County Human Services, Wake Technical Community College, North Carolina State University, Communities-In-Schools of Wake County, and nonprofits such as Passage Home, Step Up Ministries, Support Circles and others. The faith community is involved in the public housing communities with many churches taking an active role in programs in the various communities.

e. Upcoming and Pending Improvements:

- RHA and the City of Raleigh are also working together to complete the redevelopment of the Halifax Parks and Recreation Center. The city is funding this renovation and it should be completed over the next two years. RHA and the city have negotiated a long term lease for the community center.

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- RHA anticipates a significant decrease in the funding available to the agency due in large part to changes implemented by the U. S. Department of Housing and Urban Development. In order to prepare for this change in the funding stream, RHA has reorganized its staffing to avoid lay-offs and to continue to deliver top quality housing.
- RHA is preparing for the upcoming HUD inspections of all public housing properties.
- RHA continues to seek partnerships with community resources to coordinate services to address the needs of all resident families.

5. Lead Based Paint Hazard Reduction Program

The City of Raleigh is committed to helping its citizens remove lead-based hazards from their homes. In 1994, the City Council put in place a policy that subsidized remediation activities for low- and moderate-income homeowners and for landlords of properties that served low- and moderate-income tenants up to \$10,000 of remediation costs per property.

In the 2010-11 fiscal year, four units constructed before 1978 were treated for lead hazard.

6. The City's Capital Improvement Program

The City has provided funding for its affordable housing program since the 1980s. Funds are typically used as loans to developers, contractors and first time homebuyers to reduce the cost of financing. Loan repayments can then be used to apply to other housing developments or to retire the debt from the housing bond, if that was the original source of financing. Projects funded include second mortgage loans, acquisition of City owned housing units, neighborhood revitalization, homeless support, and joint venture assistance.

H. RESOURCES AVAILABLE WITHIN THE JURISDICTION

The City continues to carry out a progressive housing program that consolidates funding from CDBG, HOME, ESG, City Bond, and City appropriated dollars. From July 1, 2010, through June 30, 2011, an ambitious program combining new construction, existing housing stock, and rehabilitation was used to address housing needs for very low-income renters, homebuyers, homeowners needing rehabilitation assistance, and special population groups.

In fiscal year 2010-11, the City continued to make progress in its housing program by moving forward in committing its allocation of Housing Bond funds. A housing bond for \$20,000,000 was approved in October 2005. The program offers a comprehensive array of programs that assist people with a variety of housing needs by using several financial resources. A new Housing Bond will be voted on in October 2011.

ARRA

The City also received awards from the American Recovery and Reinvestment Act (ARRA). Raleigh is receiving Homelessness Prevention and Rapid-Rehousing Program (HPRP) funds totaling \$991,091 and Community Development Block Grant-Recovery (CDBG-R) funds of \$648,128 from the Department of Housing and Urban Development (HUD).

HPRP: HPRP – COR with Women's Center of Wake County and Triangle Family Services as HPRP service providers. For time period 7/1/09 – 9/30/10 (First year APR)

The City received a Stimulus award of \$991,091 for use in the Homelessness Prevention and Rapid Rehousing Program. Through an RFP process the City chose the Women's Center of Wake County and Triangle Family Services to provide these services in the City. The Women's Center was awarded \$230,430 to provide Homeless Prevention Services only. Triangle Family Services was awarded \$744,106 to provide both Homeless Prevention and Rapid Re-Housing Services. Two Hundred eighty-five persons received Homeless Prevention services and 67 people received Rapid Re-Housing Services. The City provided \$279,108 in direct financial assistance to qualified households receiving Homeless Prevention assistance and \$83,351 in direct financial assistance to qualified households receiving Rapid Re-Housing services. Additionally the same

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eligible families received \$167,709 in Housing Relocation and Stabilization Services. \$8,978 was spent on Data Collection and Program Evaluation. \$20,395 was spent on program administration.

CDBG-R: Community Services Department, *Youth Employment Program* - \$60,000. Youth perform public service while earning money and acquiring a valuable job experience. The program seeks to develop good work habits and to stress both education and experience as a prerequisite to a successful future. As of June 30, 2011, the program trained 50 youth and provided temporary jobs for these youth. \$60,000 has been funded. \$59,998.50 has been drawn down in IDIS. The project has closed and the \$1.50 will be returned to other CDBG-R line items.

St. Monica Rehabilitation - \$523,316. The historic St. Monica's school and Edenton Street Day Care Center, is being rehabilitated into the first City run Teen Center. As of June 30, 2011, \$499,575.40 has been funded. \$497,679.47 has been drawn down in IDIS.

NSP: The Neighborhood Stabilization Program (NSP) is authorized by the Housing and Economic Recovery Act of 2008 (HERA). The funds are to be used to acquire and redevelop foreclosed, abandoned, or blighted properties that could exert a negative influence on the surrounding neighborhood.

- NSP funds awarded to Raleigh by the North Carolina Department of Commerce, Division of Community Investment and Assistance (CI) in 2009.
- Total award: \$2,952,214.
- Funds expended July 1, 2010 – June 30, 2011: **\$1,040,828**

Raleigh's NSP has **three components**:

- 1) Acquisition and demolition of foreclosed and/or blighted houses; sale of lots to Habitat for Humanity of Wake County for new home construction for first-time homebuyers with incomes less than 50% of AMI; construction grants provided for each unit.
 - a. **Status as of June 30, 2011**
 - i. 8 properties acquired
 - ii. 5 properties demolished
 - iii. 2 Households relocated to decent, safe, affordable housing of their choosing; one household yet to relocate
 - iv. 5 cleared lots transferred to Habitat; construction underway on 4.
- 2) Acquisition of foreclosed and/or blighted houses to be rehabbed and sold to first-time homebuyers with household income less than 80% of AMI.
 - a. **Status as of June 30, 2011**
 - i. 5 houses acquired
 - ii. 4 houses rehabbed and being marketed
- 3) Acquisition and demolition of foreclosed and/or blighted properties to be held by Raleigh Community Development Department for future development of affordable housing.
 - a. **Status as of June 30, 2011**
 - i. Acquired / demolished foreclosed, blighted properties:
 1. One single-family house;
 2. One duplex; and
 3. One 12-unit apartment building
 - ii. 2 households relocated from apartment building to safe, decent affordable housing of their choice

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- iii. Proposed affordable, rental residential development for apartment site received NSP3 funding (\$950,000) from NC Department of Commerce Division of Community Investment and Assistance

Emergency Shelter Grant: The City receives the ESG funding but through a Memorandum of Understanding sends it to Wake County for use at the South Wilmington Street Center (SWSC), which is the largest of the County's eight homeless shelters. The Center served 1,442 men between July 1, 2010, and June 30, 2011.

Two men were Native Hawaiian/Other Pacific Islander, 34, were other multi-racial, 81 were Hispanic/Latino, 991 were Black/African American, 23 were American Indian/Alaskan Native, 351 were white, 41 didn't know or refused to give race data.

150 men were chronically homeless, 15 had severe mental illness, 50 had chronic substance abuse issues, 25 had other disabilities, 47 were veterans, three had HIV/AIDS, one was a victim of domestic violence, and 21 were elderly, as defined in ESG and HUD regulations

Wake County used \$107,655 (FY10-11) of City of Raleigh Emergency Shelter Grant (ESG) funds to support the operations at the SWSC. The County used the ESG funds for supplies, linens, and food services at the SWSC.

Wake County did not charge ESG any administrative fees or service costs. All ESG funds were used for direct program use.

Wake County used \$1,452,705 of County funds to operate the SWSC in the reporting year as a match to the ESG funds and received \$40,013 of State funds to assist in the SWSC operations.

The total operation cost for the SWSC for 2010-11 Fiscal Year was \$1,600,373.10.

LEVERAGED DOLLARS

The City of Raleigh uses a combination of federal, state, local, and private funds to accomplish its housing goals. By leveraging private dollars, the City is able to increase the scope of its housing activities. These partnerships have created housing solutions that would not have been possible without the combined effort and cooperation of each participant. City dollars have been leveraged on an average ratio of 1:4.

Federal Program Matches

The City of Raleigh, in accordance with federal regulations, provides matching funds or services to several federal programs. These programs require that participating cities and municipalities provide support or services equal to the amount provided by the program. The City of Raleigh provides matching funds for the HOME program. The City sends the Emergency Shelter Grant funds to Wake County, which funds and runs the South Wilmington Street Shelter.

<i>PROGRAM</i>	<i>MATCH RATIO REQUIRED</i>	<i>FEDERAL DOLLARS SPENT</i>	<i>MATCH</i>	<i>TOTAL DOLLARS SPENT ON PROGRAM</i>
HOME	1:4	\$	\$*	\$
ESG	1:4	\$107,655	\$1,452,705 **	\$1,719,515

*Include prior year's excess match.

**Wake County funding

I. CITIZEN COMMENTS

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The 2010-11 CAPER was available for citizen review and comment for a period of fifteen (15) days, beginning September 11, 2011. The availability was advertised in the News and Observer newspaper. No comments were received.

J. LOW-/MODERATE-INCOME BENEFIT

100% of HOME funds and at least 70% of CDBG funds (excluding administration and planning) were used to directly benefit individuals and families with household incomes below 80% of area median income. The majority of people benefiting actually earn below 50% of median income. The Community Development funds were expended to attain goals set for the priority needs of Raleigh citizens.



NSP Homes for Sale
Rehabbed Affordable
Units for Homebuyers



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PART II – COMMUNITY DEVELOPMENT/NEIGHBORHOOD REVITALIZATION NARRATIVE

A. NEIGHBORHOOD REVITALIZATION ACTIVITIES

Neighborhood Revitalization activities include acquisition, relocation, demolition, public improvements and planning activities which are designed to reduce slums and blight and provide affordable housing to low and moderate income households. These activities include CDBG and local funds, as well as leveraged funds. This strategy addresses a First Priority Housing Need for first-time homeowners and low-income renters.

College Park Redevelopment Area: Efforts were directed to continuing to develop a re-use proposal that will consist of new infill single family housing for low- and moderate-income households in an area challenged by dilapidated housing and street crime. The area still has a high amount of drug trafficking and other crimes, so the market may not yet absorb new housing. Community Development acquired 13 units in the area on Pender, Boyer, and Maple Streets; 10 units on Pender Street were demolished. This activity will ultimately result in meeting the national objective of Low- and Moderate-Income Housing Benefit with either infill housing and/or a multifamily development.

New Bern/Edenton Redevelopment Area: The City bought a dilapidated 16 unit apartment building and several other units located close to the completed Cooke Street Redevelopment project and will build on the success in this area. This activity meets the national objective of Low- and Moderate-Income Housing Benefit.

Thompson Hunter Redevelopment Area: East Martin Street storm water project – this project consisted of the replacement of a failed underground storm sewer system in the 700 block of East Martin Street. The system provides storm drainage through the area for about 20 acres of watershed up gradient. Its collapsed and undersized pipes caused minor road flooding and created a large sink hole. Fixing the failed system provides a benefit to the surrounding area. ABE Utilities Inc was the general contractor for the project.

Garner Road Redevelopment Area: The Community Development Department bought and demolished an apartment building with twelve units in this year with NSP, which is close to the State Street project. Eleven rehabilitated houses were completed this year. State Street Infrastructure Project – this large project consisted of the widening of the 1100 block of South State Street, the replacement of the traffic signals at State St and MLK Blvd, the construction of a cul-de-sac (Dorothy Sanders Way), the replacement of the water and sewer mains in State St, and the installation of all the water and sewer services as well as doing significant site grading and installing all the necessary storm drainage throughout the project area. In addition, all of the power, phone and cable utilities were buried throughout the project area. Narron Contracting Inc was the general contractor for the project.

Performance Measurement of Redevelopment Activities

Objective:	Suitable Living Environment	
Outcomes:	Accessibility	
Output Indicators:	Number of units acquired	41
	Number of units demolished	51
	Number of units rehabilitated	0
	Number of households relocated to standard housing	14

The City exceeded the acquisition goal with 41 units. The relocation goal was below expectations (14 completed) because some of the units were vacant when bought. Eleven State Street houses were sold to homeowners.

B. CDBG Rehabilitation and Housing Activity

Part of the City's rehabilitation efforts include the approving and processing of loans, and the completion of projects financed from the prior year's loans.

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Performance Measurement of Rehabilitation Activities

Objective:	Decent Affordable Housing
Outcomes:	Affordability
Output Indicators:	Number of units rehabilitated, CDBG Rehab Goal:

5

The City did not complete any rehabilitation projects with CDBG funds.

Self-Evaluation: The City's rehab program continues to provide challenges and opportunities. In December 2005, the City began a Pilot Program to offer discounting, forgivable loans. That program is now permanent and the name will change at some point. Depending on the amount, the loans are forgiven after a number of years. The response to the Program has been very enthusiastic. The City is also working to ensure that all of its Affordable Housing units remain in at least standard or better condition, and 7 units were rehabbed this past year.

Another rehab concern continues to be the implementation of the Lead-Based Paint Program. Current funding for lead-based paint remediation is from the CDBG budget. This has also increased the per-unit cost of the rehabs.

C. Public Service/Jobs Training

1. The Construction Job Training Program

The City of Raleigh, the North Carolina Housing Finance Agency, and the North Carolina Home Builders Association are joined in partnership to provide a job training program focusing on the building trades. Three 7 weeklong classes are conducted, and participants are in class 40 hours per week. Each class combines classroom study and hands-on experience. Training is provided on many topics, including safety, use of hand and power tools, foundations, roof framing, wall framing, sheathing, siding application, introduction to wood trim, and blue print reading. Graduates of the program are then offered job placement opportunities. In FY 2010-11, the program trained 29 persons for jobs in construction trades. The City is exploring the option of tracking the students long term.

Performance Measurement of Economic Development Activities

Objective:	Creating Economic Opportunities		
Outcomes:	Accessibility		
Output Indicators:	Number of persons attending training		30
	Number of persons who complete training		29
	Funds leveraged		\$67,000

Self-Evaluation: The Construction Trades Program continued to meet its goals by providing job-based training to unemployed and underemployed persons. 30 began, and 29 individuals completed the training. The CD Department will continue to assess the effectiveness of its programs and opportunities in job training.

2. Community Enhancement Grant

The City offered \$225,000 in funding for nonprofits for community-oriented projects not related to housing. The following projects were funded:

Capital City Intergenerational Care: received \$50,000 to offer scholarships for track-out, after school, and summer tutoring programs for LMI children. Additionally the program recruits and pays stipends to LMI Seniors serving as mentor-tutors. 36 children participated in these programs. 13 came from extremely low income families, 15 came from low income families, 4 came from moderate income families and 4 came from non-low/mod families. 30 children were African American, 6 were white with 5 of those identified as Hispanic).

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Communities in Schools of Wake County: received \$50,000 to help provide after school tutoring at Raleigh Housing Authority public housing complexes. Children in 150 low- and very low-income households received assistance.

Habitat for Humanity of Wake County: received \$26,000 for their “A Brush With Kindness” program which provides painting and minor external repair for 10 LMI homeowners low income census tracts.

Inter-Faith Food Shuttle: received \$25,293.60 for their Culinary Job Training Internship Program which provides job training (chef and kitchen worker) to mentally challenged individuals. 12 African Americans and 3 white individuals received job training assistance in the fiscal year. All 15 individuals were extremely low income at the beginning of the training. Three individuals were female heads of households.

The Raleigh Alumnae Chapter of Delta Sigma Theta: received \$13,306.40 to provide Delta Sigma Theta youth programs providing educational, tutoring, and social capital programs to LMI students. Delta Plus, Delta Carousel, Dr. Betty Shabazz Delta Academy, and Dr. Jeanne L. Noble Delta Gems programs are included. 240 children benefited from Delta programs. 25 were from extremely low income families, 135 were from Low income families, 35 were from moderate income families, and 45 were from non-low or moderate income families. 235 children were African American, 5 were white and identified as Hispanic.

StepUP Ministry: received \$30,000 to provide rental security deposits to graduates of their Transitional Housing Program. Deposits of up to \$600 per LMI family are available as the graduate families move to permanent rental housing. 56 individuals in 52 families received security deposits. All 52 families were extremely low income. 55 individuals were African American and one person was white.

YWCA of the Greater Triangle: received \$30,400 to run an Economic Empowerment Program providing training, educational opportunities, and individual job counseling for LMI women. 359 individuals received economic empowerment training. All 359 were extremely low income. 345 were African American, 11 were white and 3 of the white families identified as Hispanic.

Self-Evaluation: The Community Development Department began the Community Enhancement program in response to the community’s request for more public service activity. The Department is monitoring the program and adjusts it as needed. The City far exceeded its goals for the year.

Performance Measurement of Public Services Activities

Objective:	Suitable Living Environment/Creating Economic Opportunities
Outcomes:	Accessibility
Output Indicators:	Number of LMI households receiving services: 916

D. Displacement and Relocation Narrative

During FY 2010-11, fourteen households were relocated. All households were relocated to permanent standard housing throughout the City.

The City attempts a holistic approach to neighborhood revitalization. The goal is to preserve as many units as possible by providing a rehab program that benefits the homeowner and the community. If a property is acquired, a determination is made after careful assessment by our rehabilitation specialists as to whether the property can be preserved or whether it must be demolished.

A yearly work plan is submitted for all CDBG activities including relocation activities. Once the relocation work plan has been obtained, a windshield survey is done to give the relocation officer an overview on single or multiple relocatees. Once the Intent to Acquire Notices are given, the relocation staff contacts the tenant, homeowner or business to determine particular needs. This information is made in person to assess rental needs, handicapped accessibility issues, or business relocation needs. When the property has been acquired, more in-depth information is obtained to adhere to the Uniform Relocation Act (URA) requirements.

CITY OF RALEIGH, NC

To avoid unnecessary displacement, property owners are provided with information and the availability of resources to bring their properties up to housing codes.

Self-Evaluation: The City of Raleigh continues to try to minimize the impact of displacement due to redevelopment activities for families, individuals and businesses by providing appropriate assistance. This assistance includes help in obtaining comparable replacement housing or commercial sites. Assistance may include referrals to appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance. The range of services depends on the needs of the person being displaced.

PART III – HOME ANNUAL PERFORMANCE REPORT

A. INTRODUCTION

The City's Consolidated Plan adopted May 2010 that covers this reporting period states that the City will continue to adhere to four basic principles to guide program expenditures. These principles are:

- The provision of affordable, decent, safe, and sanitary housing for all City Residents
- The need for an on-going partnership with the private sector and continued inter-governmental cooperation between the County, regional, and state governments
- That affordable housing must be made available throughout the City
- The continued emphasis of neighborhood revitalization where the goal is to encourage neighborhood stability and preservation of existing housing stock.
- These goals are implemented through a housing strategy which targets assistance and resources to the following **priority one** household types:
 - Very low-income renter households.
 - Homeless persons and families.
 - Elderly and persons with disabilities in need of supportive housing.
 - Low- and moderate-income homebuyers.
 - Homeowners needing significant rehab assistance.

B. HOME PROGRAMMATIC ACCOMPLISHMENTS

1. Elderly and Persons with Disabilities Rehabilitation

The City's Five Year Plan indicated that approximately 9% of the City's population was elderly. The Five Year Plan also showed that approximately 19% of elderly households had some type of housing problem. The City of Raleigh has a number of programs designed to assist elderly homeowners by providing rehabilitation assistance or emergency rehab assistance.

Five units were rehabilitated in the last year with HOME funds. Elderly and/or disabled homeowners are assisted through the City's Deferred Payment Loan (DPL) Program. All of the units were DPLs. The maximum loan amount of a DPL is \$35,000 in response to the need for more significant rehabilitation and higher costs. Applicants must be low-income or have incomes at or below 50% of the median income (\$38,850). All of the DPLs were completed as Forgivable Loan rehabs, which raised the allowed amount to \$45,000.

Performance Measurement of Owner Rehabilitation Activities

Objective:	Decent Affordable Housing
Outcomes:	Availability/Accessibility
Output Indicators:	Number of units rehabilitated

5

CITY OF RALEIGH, NC

Community Development did not meet the goals of HOME rehabs. The Pilot Program offers forgivable loans; the City began using HOME in addition to Bond funds for this program. Fewer applications are coming in, due to the economy.

2. New Low-Income Housing

The need for rental housing for very low and low-income households continues to increase. To address this need, the City continues to fund and support new development or rehabilitation of rental units. The City also supports rehabilitation of older rental units through its purchase and low rent housing program. The City's Joint Venture Program provides opportunities for the City to assist in funding new affordable rental units.

Performance Measurement of Housing Production Activities

Objective:	Suitable Living Environment	
Outcomes:	Affordability	
Output Indicators:	Number of units rehabilitated	0
	Number of units constructed	48

Autumn Spring, a development for elderly/people with disabilities was completed. CD is no longer issuing a RFP for nonprofit projects. Funds are disbursed on a first come, first served basis, assuming the project meets requirements.

3. Private Sector Participation

The City has worked with the private sector in a number of programs primarily in the areas of mortgage lending, rehabilitation/construction management, and property management.

MORTGAGE LENDING: The City currently has agreements with six lending institutions: SunTrust, RBC Centura Bank, BB&T, Bay Banc Mortgage, Gateway Mortgage, Prospect Mortgage, DHI Mortgage, First Citizens, Union Mortgage, and W R Starkey Mortgage. Several lenders the City associated with in the past have gone out of business in the last year.

PROPERTY MANAGEMENT: The management of low-income rental housing units is by Barker Realty, which is responsible for the majority of property maintenance and rent collection.

REHABILITATION/CONSTRUCTION MANAGEMENT: The City continues to work with individual rehabilitation consultants under contract with the City for rehabilitation construction management. These consultants assist with specification preparation and contract management.

4. Community Housing Development Organizations (CHDOs)

The Brookridge Apartments, with 40 units, was the CHDO project completed in 2010-11. The project builds on the success of the Lennox Chase model for supporting formerly homeless individuals in permanent housing.

Performance Measurement of CHDO Activities

Objective:	Suitable Living Environment	
Outcomes:	Affordability	
Output Indicators:	Number of units rehabilitated	0
	Number of units constructed	40

C. PUBLIC POLICIES

1. AFFIRMATIVE MARKETING

The City maintains a policy of non-discrimination and equal opportunity in housing, pursuant to the objectives of Title VIII of the Civil Rights Act of 1968, and the City's Fair Housing Ordinance. Fair Housing activity is made known to the general public through the use of news media and presentations to community organizations, social service agencies and church groups.

CITY OF RALEIGH, NC

The development of partnerships with area lenders, the Raleigh Board of Realtors, the Homebuilders Association, and private rental management companies has expanded the Department's effort to reach a larger and more diverse community. All new HOME participants are advised of the HOME requirements for affirmative marketing. Advertisements for family units are made using news media.

2. MINORITY OUTREACH

The CDBG and HOME Program makes every effort to use minority contractors in carrying out program activities. Under the HOME rehabilitation program, a total of \$ in construction projects was awarded to minority and women contractors. The City has a Business Assistance Program which monitors minority participation in all City contracts. The City has established a goal of 15% for construction projects that exceed \$50,000. This effort is monitored by the Minority and Women-Owned Business Program Coordinator in the Department of Administrative Services.

3. SHORTFALL FUNDS

No shortfall funds have been committed during this reporting period.

4. PROGRAM INCOME

In FY 2010-11, program income from HOME loans and rents totaled \$477,897.04, most of which was used in the rehabilitation program and joint ventures.

5. MATCH

In FY 2010-11, the HOME match liability was \$670,220.67. The City had excess match of \$184,864.22 from the previous year and contributed \$717,833.38 for a total of \$902,697.60. Excess match carried to next year is \$232,476.93.

6. SECTION 215 HOUSING

Section 215 of Title II of the National Affordable Housing Act. Section 215 defines what constitutes "affordable" housing projects under the Title II HOME program. The City completed 88 rental units and five homeowner rehabilitation projects for a total of 93 units.

HOME ON-SITE INSPECTIONS

Each year, the City assesses its HOME, CDBG and Housing Bond financed units to make sure that they are maintained, comply with federal Housing Quality Standards and that they are being rented at or below the annual HUD designated affordable rents. The City owns 24 HOME units. These units are Woodpecker Court, which consists of 12 units, Ricky Circle, which consists of four units, 809 Bragg Street, which consists of 4 units, and 806 and 810 Jones Street, which has four units. All projects were monitored in December 2009. These units also receive monthly monitoring by the department's property manager. On-site physical monitoring of these properties is scheduled according to HOME inspection rules. Woodpecker Court is scheduled for onsite monitoring in December of 2011. The other properties are scheduled for onsite monitoring December 2012.

The City has also provided funding for 11 other projects with HOME money that are inspected annually. These are Fox Haven (48 units), Magnolias (40 units) and Lennox Chase (36 units), Elder's Peak (48 units), Windsor Spring (39 units), Village of New Hope (45 units), Perry Hill (48 units), Terrace Spring (48 units), Waterbrook (64 units), Autumn Spring (48 units), and Brookridge (41 units). Fox Haven, Village of New Hope, and Perry Hill provide affordable housing for qualifying families and individuals. The Magnolias, Elder's Peak, Waterbrook, Terrace Spring, Windsor Spring, and Autumn Spring provide housing for the elderly or households with disabilities. Lennox Chase and Brookridge are Single Room Occupancy housing for individuals making less than 40% Area Median Income. All properties were inspected in fiscal year ending June 30, 2011.

The City has 7 other HOME funded developments that require less frequent monitoring. 202 Heck Street is a duplex monitored every three years. Hollenden Place is a Passage Home development that contains 22 units and must be monitored every other year. Franklin Woods I & II is also a Passage Home project

CITY OF RALEIGH, NC

that has 4 units that must be monitored every three years. Shades Pointe Townes is 2 triplexes that must be monitored every other year. Hope Crest, Oak Hollow and Salisbury Apartments are 10 unit complexes owned by CASA and must be monitored every other year. 202 Heck Street has changed owners and has been rehabilitated. It was inspected in November 2009, Shades Pointe Townes was inspected in August 2010. Hollenden Place and Franklin Woods I & II were inspected in March 2011. Hope Crest and Oak Hollow were inspected in December 2009. Salisbury Apartments were inspected in March 2011.

All HOME units were found compliant upon inspection. The Department maintains a copy of its site inspections on file for review and monitoring purposes. HUD requires that all projects with 1 to 4 units be monitored at least every three years, projects with 5 to 25 units be monitored every two years, and projects of 26 or more units every year.

The monitoring process consists of an on-site visit and a review of files. The management company and/or Sponsor of the development are notified in writing that they need to contact the City to schedule a date to monitor. Prior to the monitoring date, we ask that they supply us with a complete list of all tenants along with their annual incomes, the number of people in the household, the date of last income certification, and their rent amount. This is generally reviewed prior to the visit to ensure that all tenants are income eligible and that at least 20% of the units are renting at or below low home rent and the remaining are at or below high home rent. Currently, all developments are in compliance with regard to rents and incomes.

The next step in the City's monitoring process is an on-site visit. At least 10% of the apartments are randomly selected and thoroughly inspected to ensure that they meet at least federal Housing Quality Standards. The interiors and exteriors of the apartments are examined to ensure that they are being maintained and that they represent no hazards. All common areas are also inspected for safety and for cleanliness. Project Data files along with between 10% - 20% of the tenant files are then reviewed. Several different files are randomly selected (usually those files of the apartments that were monitored). The files are reviewed to ensure that incomes are being calculated correctly and that they are being re-certified every year. Within the past year, we found no inconsistencies in the files.

Before leaving, a copy of the standard lease is requested to ensure that it references the annual verification of income. Also, we determine that appropriate Fair Housing and Affirmative Marketing guidelines are followed. All listed developments have been found to be compliant with all guidelines and restrictions. No further action was necessary after any of the monitoring visits. All HOME projects inspected are providing annual updates of their 6-D HUD reporting forms or are using the comparable North Carolina Housing Finance Agency RCRS system and are compliant in this area.

Summary of Progress

The City of Raleigh Community Development Department has developed an aggressive housing and community development program to implement the goals and objectives described in the Consolidated Plan. The programs which have been established are aimed at the following: increasing the affordable housing stock, eliminating substandard housing conditions, providing homeownership opportunities, eliminating slums and blight in older neighborhoods; improving the employment skills of low and moderate income people; leveraging federal resources with private funds and establishing partnerships to implement these programs.

The City continues to strive to reach its objectives by establishing performance goals for activities and staff, expanding our partnerships with the private and nonprofit sector and by examining strategies to streamline our programs to make them more productive and efficient.

The Department continues to emphasize its objective to increase the number of affordable housing units. This production objective requires that staff time be directed towards those activities that increase the number of housing units completed each year.

CITY OF RALEIGH, NC

The Department is proud of its accomplishments this past year, which provided affordable housing that is of high quality and leverages federal dollars with the private sector. The Department remains dedicated to meeting the goals and objectives identified in the Consolidated Plan. Summarizing, activities this past year included the following:

- 1. Low-Income Renters:** The City continued to provide housing for low-income renters through the City-Owned Housing Program and the Joint Venture Program. The City rehabbed 7 units for affordable housing. Most of these units upon completion rent for \$400 - \$500 per month. In addition to the acquisition of these older units, the City completed 88 units through its Joint Venture program and has committed to 411 additional units. Both of these programs are targeted mostly to households earning less than 50% of the median income. Joint Venture projects are geographically dispersed throughout the City.
- 2. Homebuyers:** Assisting homebuyers is a major priority for the City. We continued our Second Mortgage Programs and worked closely with participating lenders. The City also continued the Homeownership Counseling Program. Last fiscal year, 81 Second Mortgage Loans were completed, and 477 persons attended Homeownership Counseling.
- 3. Elderly/Disabled Households:** The City continues to support several programs to assist this First Priority Need. The City continues to work with Resources for Seniors to provide a Limited Repair Program to include all low-income homeowners. HOME dollars are also used to provide rehabilitation assistance to the elderly through its Deferred Payment Loan/Forgivable Loan Rehab Program. Last fiscal year, the City completed 39 units through Limited Repair and DPLs.
- 4. Special Populations:** Special populations remain a Priority One Housing Need. Community Development is focusing on affordable housing for this population. The City has funds for Homeless Support and the Brookridge project
- 5. Housing Rehabilitation:** The City provided ten loans for rehabilitation, utilizing federal HOME and City bond dollars. \$274,635 in HOME and HOME match funded the five HOME rehabs.
- 6. Neighborhood Revitalization -** During the past fiscal year, the City continued its focus in several redevelopment areas.

The City continued to work in the College Park and Garner Road areas, acquiring units and demolishing units. The State Street project progressed, and 11 units were sold to homebuyers.

The City felt that this past year was successful in terms of meeting performance goals for acquisition of property and for meeting expenditures within the timeframe. The City met the 1.5 ratio, as required by HUD.

Non-Housing Priorities:

Economic Development - The City continued to support the Construction Trades Building Program. The program is aimed at increasing job skills for unemployed and underemployed low-income residents.

Community Enhancement Grant – The City provided grant funding for several nonprofit agencies to serve the low-income population.

Certifications of Consistency – The City supports applications for federal assistance. During 2010-11, the following certifications were granted by the City: Continuum of Care NOFA Grant, Raleigh Housing Authority's Consolidated/Annual Plan and Walnut Terrace Hope VI Application, and Saint Augustine's College HBCU Grant.

Conclusion

CITY OF RALEIGH, NC

The support for affordable housing remains strong as the voters passed a \$20 million housing bond in October 2005, and another bond will be available for voters in October 2011. The bonds will continue to expand the City's efforts at providing affordable housing throughout the City.

The goals of the Consolidated Plan were supported by the One Year Action Plan and the accomplishments detailed throughout the narrative. The Community Development Department will continue to strive for excellence in all of its programs.

APPENDIX A

CDBG PROGRAM INCOME

RECONCILIATION OF LINE OF CREDIT AND
CASH BALANCE

CITY OF RALEIGH, NC

FY 10-11

ATTACHMENTS FOR CDBG PROGRAM INCOME ADJUSTMENTS and LOAN & RECEIVABLES

(Submit with CAPER as an attachment to CDBG Financial Summary IDIS Report C04PR26. See Instructions)

8 Program Income Received

a. Program income returned to revolving funds: (Identify by type)	N/A
b. Repayment on Float Funded Activities:	N/A
c. Other loan repayments by category:	
Loan repayments	\$623,365
Rental Income	\$48,025
Miscellaneous/ Other	\$2,674
d. Income received from sale of property:	\$359,885
Total Program Income	\$1,033,948

9 Prior Period Adjustments

N/A

Reimbursements made for disallowed costs:

- Activity Name & Number in IDIS
- Program Year expenditure was reported:
- Amount returned to LOC program account:
- Amount to be reimbursed and timeframe

10 Loans and other receivables

a. Float -funded activities outstanding as of end of the reporting period	NONE
b. Total number of loans outstanding :	105
principal balance owed as of end of reporting period :	\$4,256,671
c. Total number of outstanding deferred or forgivable loans, principal balance owed & terms of deferral or forgiveness : Deferred loans are until 1)death of borrower 2) property is sold or conveyed 3) no longer owner occupied; Forgivable loans discount 1/5 per year for 5 years	22 \$534,388
d. Number and amount of loans in default and for which the balance was forgiven or written off during the reporting period:	0
e. Parcels acquired or improved with CDBG funds that are available for sale as of end of reporting period:	21

11 Lump sum agreements:

N/A

CITY OF RALEIGH, NC

RECONCILIATION OF LINE OF CREDIT (LOC) AND CASH BALANCES TO UNEXPENDED BALANCE OF CDBG FUNDS

(Complete the following worksheet and submit with CAPER)

UNEXPENDED CDBG BALANCE \$3,169,098.00
(Line 16 of CDBG Financial Summary CO4PR26)

ADD:

LOC balance	<u>\$ 3,254,305</u>
Cash on Hand:	
Grantee Program Account	<u>\$ -</u>
Subrecipients Program Accounts	<u>\$ -</u>
Revolving Fund Cash Balances	<u>\$ -</u>
Section 108 cash balances	<u>\$ -</u>

SUBTRACT:

 Grantee CDBG Program Liabilities (include any reimbursements
due to the Grantee from program funds) \$ (85,207)

 Subrecipients CDBG Program Liabilities
 (same instructions as above) \$ -

TOTAL RECONCILING BALANCE: \$ 3,169,098

UNRECONCILED DIFFERENCE (Between total Reconciling Balance and
unexpended Balance: (Explain Below) \$ (0)

*(*When grantees or subrecipients operate their programs on a reimbursement basis, any amounts due to the grantees or subrecipients should be included in the Program Liabilities)*

APPENDIX B

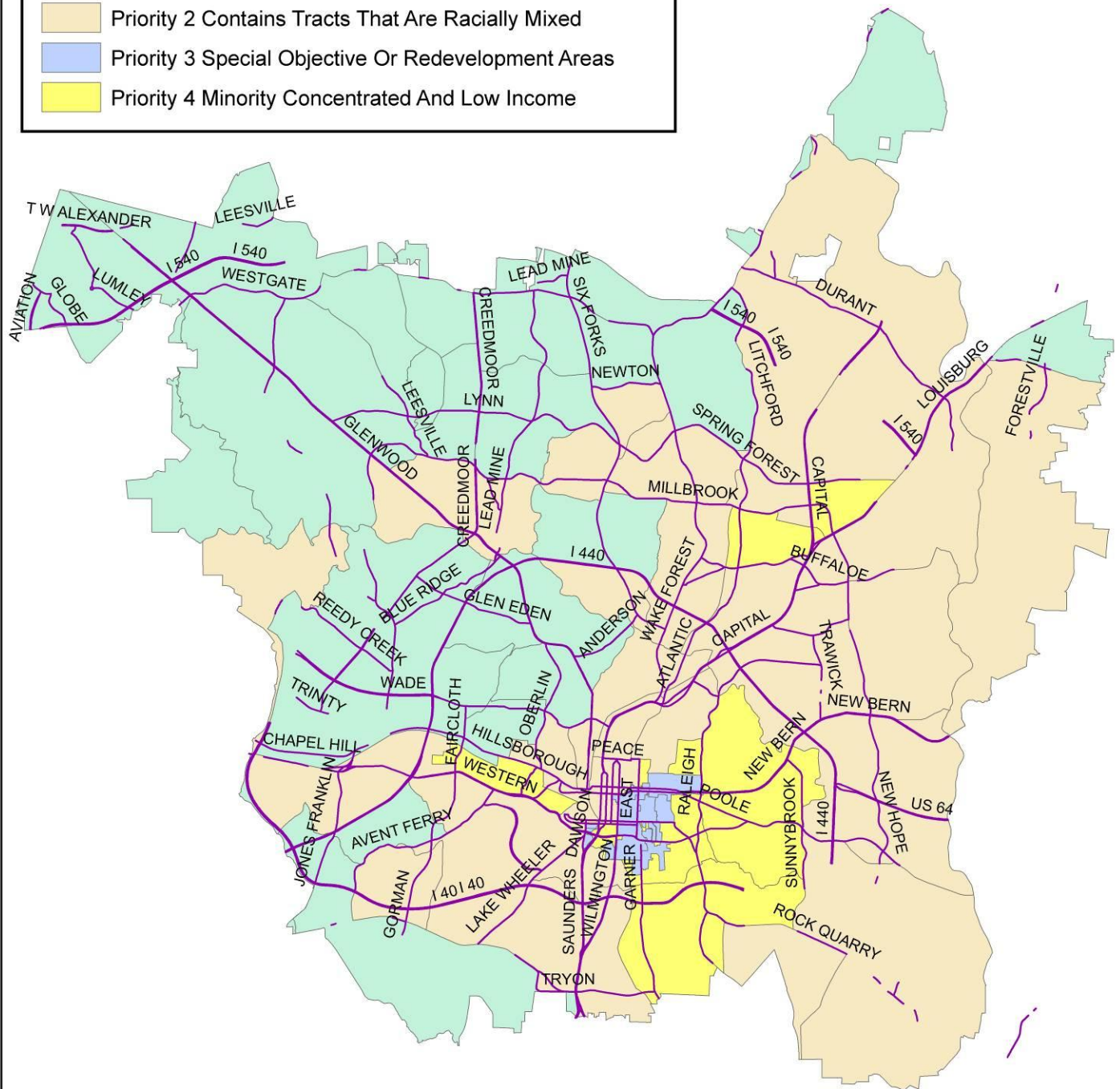
MAPS

CITY OF RALEIGH, NC

Legend

Priority Areas

- Priority 1 Low Concentration Of Minority and Low Income
- Priority 2 Contains Tracts That Are Racially Mixed
- Priority 3 Special Objective Or Redevelopment Areas
- Priority 4 Minority Concentrated And Low Income



CITY OF RALEIGH, NC



September 2011

Information depicted herein is for reference purposes only and is compiled from the best available resources. Work Plan items are subject to change. The City of Raleigh assumes no responsibility for errors arising from the misuse of this map.

City of Raleigh Target Areas Redevelopment Areas

0.2 0.1 0 0.1 0.2 Miles



APPENDIX C

HUD FORMS

ANNUAL PERFORMANCE REPORT
HOME PROGRAM - HUD-40107
HOME MATCH REPORT - HUD-40107-A
SECTION 3 SUMMARY REPORT

CITY OF RALEIGH, NC

Annual Performance Report

HOME Program

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No.2506-0171
(exp.05/31/2007)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (C/MI) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

Submit this form on or before December 31 Send one copy to the appropriate HUD Field Office and one copy to: HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410	This report is for Period (mm/dd/yyyy) Starting 7/1/2010 Ending 6/30/2011	Date submitted (mm/dd/yyyy) 9/28/2011
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Part I Participant Identification

1. Participant Number 54077	2. Participant Name City of Raleigh
3. Name of Person Completing this report Sarra Sweeney	
4. Phone Number (include Area Code) 919-996-6964	
5. Address P.O. Box 590	6. City Raleigh
7. State NC	8. Zip Code 27602

Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

1. Balance on hand at Beginning of reporting period	2. Amount received during Reporting Period	3. Total Amount Expended During Reporting Period	4. Amount expended for Tenant - Based Rental Assistance	5. Balance on hand at end of Reporting (period (1+2-3)=5)
\$174,225.06	\$477,897.04	\$629,925.29	\$0.00	\$22,196.81

Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period

		Minority Business Enterprises (MBE)				
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	f. White Non-Hispanic
a. Total						
A. Contracts						
1. Number	2			1		1
2. Dollar Amount	86883			55330		31553
B. Sub-contracts						
1. Number	19			6	2	11
2. Dollar Amount	45855			10760	4300	30795
a. Total						
C. Contracts		b. Women Business Enterprises (WBE)				
1. Number	2	1	c. Male			
2. Dollar Amount	86883	55330	31553			
D. Sub Contracts						
1. Number	19	0	19			
2. Dollar Amounts	45855	0	45855			

CITY OF RALEIGH, NC

Part IV Minority Owners of Rental Property

In the table below, indicate the number of HOME assisted rental property owners and the total dollar amount of HOME funds in these rental properties assisted during the reporting period.

	a. Total	Minority Business Enterprises (MBE)				f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
1. Number	2	0	0	0	0	2
2. Dollar	\$ 1,400,000	0	0	0	0	\$ 1,400,000

Part V Relocation and Real Property Acquisition

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition. The data provided should reflect only displacements and acquisitions occurring during the reporting period.

	a. Number	b. Cost				
1. Parcels Acquired	0					
2. Businesses Displaced	0					
3. Non profits Organization Displaced	0					
4. Households Temporarily Relocated, not Displaced	0					
Households Displaced	a. Total	Minority Business Enterprises (MBE)				f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
5. Households Displaced - Number	0					
6. Households Displaced - Cost	0					

CITY OF RALEIGH, NC

OMB Approval No. 2506-0171
(exp. 05/31/2007)

HOME Match Report U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Part I Participant Identification		Match Contributions for Federal Fiscal Year (yyyy) 2010-11	
1. Participant No. (assigned by HUD) 54077	2. Name of the Participating Jurisdiction City of Raleigh	3. Name of Contact (person completing this report) Sarra Sweeney	
5. Street Address of the Participating Jurisdiction 310 W. Martin Street		4. Contact's Phone Number (include area code) 919-996-4330	
6. City Raleigh	7. State NC	8. Zip Code 27602	

Part II Fiscal Year Summary			
1. Excess match from prior Federal fiscal year	\$	184,864.22	
2. Match contributed during current Federal fiscal year (see Part III.9.)	\$	717,833.38	
3. Total match available for current Federal fiscal year (line 1 + line 2)		\$	902,697.60
4. Match liability for current Federal fiscal year		\$	670,220.67
5. Excess match carried over to next Federal fiscal year (line 3 minus line 4)		\$	232,476.93

Part III Match Contribution for the Federal Fiscal Year								
1. Project No. or Other ID	2. Date of Contribution	3. Cash (non-Federal sources)	4. Foregone Taxes, Fees, Charges	5. Appraised Land/Real Property	6. Required Infrastructure	7. Site Preparation, Construction Materials, Donated Labor	8. Bond Financing	9. Total Match
613*Brookridge LLC (CHDO)	5/27/2011	\$ 180,000.00						\$ 180,000.00
736*501 Doby Circle	11/17/2010	\$ 11,652.62						\$ 11,652.62
697*748 Lunar Drive	8/16/2010	\$ 44.88						\$ 44.88
733*Water Garden (CHDO)	1/25/2011	\$ 279,000.00						\$ 279,000.00
734*2104 Atkins Dr.	8/4/2010	\$ 9,816.15						\$ 9,816.15
735*1409 Pender St.	7/17/2010	\$ 26,580.63						\$ 26,580.63
758*4705 Bivens Dr.	6/14/2010	\$ 6,238.10						\$ 6,238.10
760*709 Grantland Dr.	10/20/2010	\$ 13,052.32						\$ 13,052.32

form HUD-40107-A (12/07)

page 1 of 4 pages

HOME Match Report
Print date: 9/27/2011

Name of the Participating Jurisdiction
Federal Fiscal Year (yyyy)

CITY OF RALEIGH, NC

[illegible]

form HUD-40107-A (12/94)

page 2 of 4 pages

HOME Match Report
Print date 9/27/2011

CITY OF RALEIGH, NC

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$ 1,616,000
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ 0
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$ n/a
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving non-construction contracts	n/a

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- ☐ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- ☐ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- ☐ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- ☐ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- ☐ Other; describe below.

The projects funded with HOME funds did not reach the number of units required to initiate Labor Relations enforcement.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, Searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensure that employment and other economic opportunities generated by its housing and community development assistance programs as directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

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CITY OF RALEIGH, NC

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$ 540,581.00
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$ n/a
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving non-construction contracts	n/a

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- ☐ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- ☐ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- ☐ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- ☐ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- ☒ Other; describe below.

Contractor was informed of guidelines. He stated that Corbett Contracting has decreased its workforce significantly due to the economy. They are not currently hiring but will if their work load requires.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, Searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensure that employment and other economic opportunities generated by its housing and community development assistance programs as directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

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CITY OF RALEIGH, NC

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$ 408,500
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$ 114,816
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving non-construction contracts	n/a

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- ☐ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- ☐ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- ☐ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- ☐ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- ☒ Other; describe below.

General Contractors were contacted and provided updated guidelines for Section 3 related projects. Contractor stated that due to the economy and decline in construction activity, Macallan has been forced to reduce staff by more than 50%. Until the volume of their work increases, the hiring moratorium will remain in effect.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, Searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

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